Mr. President:

this is what has gone out to NSC for tomorrow.

Most of it is Pamilian to you.

But the object of tomorrow's mtg,

you will recall, is to let

Me Come + other air their views.

Mul B.

March 11, 1963

MEMORANDUM TO THE NATIONAL SECURITY COUNCIL

SUBJECT: Meeting on Wednesday, March 13, at 4:30 PM

The President has asked me to call this meeting for the purpose of having a general discussion of U.S. policy in two large areas, Latin America and Europe. It is not his purpose in this meeting to attempt detailed analysis of immediate questions such as the program for the San Jose meeting or the next steps in the post-Nassau negotiations. He desires instead to have a broader exchange of views, in which it would be open to any member to propose quite new levels or directions of policy as deserving further study.

Members of the Council are familiar with the main lines of current policy in these two areas, but the two papers which are attached may be of some interest to those who have not seen them. One is a talking paper on Cuba used by the Secretary of State in a recent talk to the Cabinet. The other is an abridgment of an informal talking paper on European policy presented to the President by Ambassador Bruce. The documents do not have the authority of formal State papers, but each is a responsible statement of the main lines of our present course; alternative views might well respond to them. It should be added that the Secretary of State's paper, in that it centers on Cuba, covers a field less broad than that of hemispheric policy as a whole. It is the broad field that the President has in mind for the first item on this simple agenda:

- 1. Latin American Policy
- 2. European Policy _ 7001 discussion

holy Bul McGeorge Bundy

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REVIEW OF THE CUBAN SITUATION AND POLICY (Talking Points)

I Policy Objectives

- (a) We shall continue to safeguard the security of the United States through whatever measures may be necessary. Our purpose is to achieve security, not only for the United States but for the Hemisphere. In this effort we shall work so far as possible through collective action. Our interest is in practical results and not flamboyant measures.
- (b) We shall continue to fight against the spread of Castroism through Latin America not only by intensifying existing efforts directed specifically toward this task, but also by helping to eliminate poverty and inequity which is the building ground for infection. This we shall do through an expansion and development of the Alliance for Progress.
- (c) On the basis of the progress of the great strides already made toward increased inter-American cooperation we shall continue to tighten the noose around the Cuban economy and to increase the isolation of the Castro regime from the political life of the hemisphere until that regime becomes a complete pariah.
- (d) We will not be satisfied until the Cuban people have been assured the opportunity of freely choosing their own government.

II Success of our Policy So Far

- 1. We have substantially isolated Cuba from access to the industrialized nations of the free world:
 - (a) Trade with Cuba between the Atlantic Community and Latin America during 1962 dropped to one-third of what it was during 1961.
 - (b) The year 1963 will undoubtedly be the worst year economically that Cuba will have known in recent times. (c)

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- (c) As the Cuban economy continues to deteriorate Cuba will become an even greater economic burden for the Sino-Soviet Bloc. We estimate that Cuba is currently costing the Bloc at least \$1,000,000 a day.
- 2. We have substantially reduced the availability of free world shipping for Cuba (either direct or under charter to the Soviet Bloc). The number of free world ships calling at Cuba ports has dropped from 128 in January 1962 to 12 in January 1963. We are continuing to reduce the number of free world ships in the Cuban trade by achieving the cooperation of Free World nations and through various shipping measures.
- 3. We have brought a major reduction in the political influence of Castroism in the Hemisphere:
 - (a) During October 1962 complete hemispheric solidarity on the Cuban issue was achieved for the first time by a unanimous vote in support of our quarantine.
 - (b) In January 1962, at Punta del Este, the United States effectively excluded the Castro Government from the Inter-American System.
 - (c) Fourteen Latin American countries have broken diplomatic relations with Cuba and only five (Brazil, Mexico, Chile, Uruguay and Bolivia) continue to maintain such relations. The Federal Republic of Germany was the latest country to break relations.
 - (d) Significant gains for the democratic forces have been shown by recent student and labor elections in the Hemisphere during the past two years. They show a significant decline in Castro/Communist influence.

- (e) As a result of economic chaos which has been produced in Cuba as a result of Communist mismanagement and Cuban isolation from the rest of the Free World, Latin America has been given a visual demonstration that Communism has little to offer it. This demonstration has been reinforced by growing evidence of the subservience of the Castro Regime.
- 4. We have made great progress in countering Cuban subversion and propaganda efforts:
 - (a) The cooperation of the Organization of American States (OAS) has been successfully enlisted in countering subversive activities. The OAS Special Consultative Committee on Security has just submitted its report. It has made recommendations to Member States regarding measures to counteract these activities.
 - (b) We are actively working with Latin American countries in developing programs to counter subversion. This includes our whole police and counter-insurgency program.
 - (c) We have substantially strengthened the United States Information Program beamed to Cuba and the Hemisphere. The Voice of America has stepped up its broadcasting in Spanish from one hour a day in 1960 to nine hours a day at the present time. We have delivered 8 million copies of anti-Castro books as well as films and TV programs describing the nature of Castroism in Cuba.
- 5. We have insured the protection of our national security by the <u>legitimizing of our aerial</u> surveillance of <u>Cuba</u>. This has been achieved on the basis of OAS action.

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